

CALIFORNIA COASTAL COMMISSION

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May 23, 2002

TO: COMMISSIONERS AND INTERESTED PERSONS

**FROM: DEBORAH LEE, SOUTH COAST DEPUTY DIRECTOR
SHERILYN SARB, DISTRICT MANAGER, SAN DIEGO AREA OFFICE
BILL PONDER, COASTAL PROGRAM ANALYST, SAN DIEGO AREA
OFFICE**

**SUBJECT: STAFF RECOMMENDATION ON CITY OF OCEANSIDE MAJOR
AMENDMENT 1-2001 (D Downtown District)** (For Commission consideration
and possible action at the Meeting of June 10-14, 2002)

STAFF NOTES:

On April 8, 2002, the Commission approved a time extension for up to one year on the subject LCP amendment request. The City had originally requested the LCP amendment be scheduled for the April 2002 agenda to obtain direction from the Commission on the significant policy questions raised by this amendment; however, the City requested a postponement of that hearing until the June meeting, which was granted by the Commission. On May 17, 2002, the City and Commission staff met to discuss potential processing scenarios for the LCP amendment which included significant revision of the proposal in an effort to gain a positive staff recommendation, or withdrawal of the LCP amendment and processing a revised LCP amendment through the City. It was understood that any revisions to the submittal could not be incorporated or reviewed in time for the June Commission hearing. On May 22, 2002, City staff requested the LCP amendment remain on the June agenda with the previously-issued staff recommendation of denial. Only minor changes were made to the staff report to correct typos, etc. No substantive changes have been made to the staff report.

SUMMARY OF AMENDMENT REQUEST

The City is requesting the proposed changes to the certified City of Oceanside land use plan and the D Downtown District ordinance to accommodate redevelopment of the blufftop and beach area adjacent to and inland of the Oceanside municipal pier, the adjacent beach and Pier Plaza amphitheater with two, high-rise resort hotel and timeshare developments. The two projects, the Oceanside Beach Resort and the Oceanside Pier Resort, were approved by the City at the same time as the subject LCP amendment, and both permit decisions have been appealed by the Coastal Commission, the Sierra Club, and the Citizens for Beach Preservation. In the submitted LCP amendment, the City has

proposed the changes it believes are necessary to the LCP to find the proposed resort developments consistent with the LCP, as amended. The requested changes raise three significant policy questions for the Commission to consider, i.e. closure of the first coastal roadway to vehicular traffic to create a pedestrian promenade, grading of the coastal bluff to accommodate development at beach level and closer to the shoreline, and the extension of private development into public use areas. The City had requested the LCP amendment be scheduled for the April agenda to obtain direction from the Commission on these significant policy questions. Staff is recommending denial of the LCP amendment with no suggested modifications at this time.

The proposed changes to the LCP include policies which would allow closure of The Strand, a beach level roadway, to vehicular traffic for the segment extending from one block north of the pier at Civic Center Drive, to two blocks south of the pier just north of Seagaze Drive. The proposed LCP policies would also allow closure to vehicular traffic of Pacific Street, the first coastal roadway on the blufftop paralleling the beach, for the same segment, and re-routing of the first coastal roadway one block inland to Myers Street. Also proposed is policy language that would allow closure of Pierview Way, the road perpendicular to the shoreline which terminates at the pier, to vehicular traffic from the pier inland to the railroad tracks. All three roadway segments would become pedestrian promenades of 28 feet, 50 feet and 50 feet in width, respectively.

The other significant policy change proposed with the LCP amendment would allow grading of the disturbed bluff located east of the beach parking lot at Seagaze Drive, known as "Betty's" lot, to develop the beach resort. The proposed policy language requires that such development include creation of new useable public open space through construction of a minimum 40,000 sq.ft. deck over "Betty's" parking lot and retention of at least the same number of parking spaces that presently exists (111 spaces).

The grading of the bluff allowed by the policy change would accommodate an open public plaza above the beach level parking garage (131 spaces) and a grand stairway at Mission Ave.; however, as approved by the City, it would also accommodate additional resort parking at beach level extending from the previous bluff location inland to Myers Street (304 spaces), and a second higher level of underground resort parking (179 spaces) and administrative use which would occupy the area inland of a beach-facing fitness center, restaurant, and four meeting rooms to serve the resort. This second level would be located below the public right-of-way and at the same level and inland of the public plaza. As designed, the public plaza would be accessed most directly from the resort facilities, and would be recessed below the pedestrian promenade and elevated above the beach.

Therefore, with the grading of the natural landform permitted by the LCP amendment, the resort development could be constructed at beach level and include two additional levels of "below grade" development not anticipated in approval of the currently certified LCP. Also, the creation of the auto-free, pedestrian zones and resultant loss of 110 on-street public parking spaces in close proximity to the beach and municipal pier was not anticipated in approval of the policies in the currently certified LCP addressing development in the pier/beach area of the D Downtown District.

SUMMARY OF STAFF RECOMMENDATION

Staff is recommending denial of the proposed policy changes for the following reasons:

1. The proposed policies would allow for pedestrian promenades in place of three existing public street segments which would displace a significant amount of on-street parking in the vicinity of the municipal pier, public amphitheater, and adjacent sandy beach, which is the primary beachfront visitor-destination point within the City; however, the existing LCP policies only require that replacement parking be located west of the railroad right-of-way. This would not assure there is an adequate reservoir of affordable public parking, secured and maintained in perpetuity, within walking distance of the pedestrian promenades and the City's pierfront areas;
2. The proposed policy changes do not adequately protect lower cost visitor and recreational facilities within the pier/beach area or enhance public access and recreational opportunities. Instead, the proposed policies would allow for a development pattern that would exclude the public and replace on-street parking and affordable public beach facilities with higher cost commercial recreational facilities and garage parking. The LCP amendment results in reduction in the area available to provide lower cost visitor and recreational facilities and does not contain sufficient public benefits or measures to enhance public access opportunities which would offset the impact to coastal access of closure of these streets to create auto-free zones;
3. Closure of the streets would create significant adverse impact to traffic at the intersection of Coast Blvd. and Mission Ave., two major coastal access routes serving this area; however, the mitigation measures identified in the EIR to address this impact would involve removal of additional on-street parking spaces which is not acceptable to the City or downtown merchants and would represent and additional impact to coastal access. Additionally, the EIR indicates a traffic and parking management plan will be necessary during peak use periods and amphitheater events; however, the submitted LCP amendment does not include a traffic and parking management plan or requirement.
4. The combination of the closure of Pacific Street and grading the bluff allows a potential building envelope that is closer to the shoreline, and increased development potential at beach level. The result is a more intense, massive resort development as viewed from the adjacent public use areas including the beach, amphitheater and the pier. Measures to mitigate the visual impact of the resort development, such as, reduction in building height and/or mass, increased setbacks from the public pedestrian promenade, additional landscape screening, etc., have not been included in the LCP amendment.
5. The public amenity that is proposed to offset the impact of grading the bluffs and closure of the street is the public plaza on the level above the beach parking

garage; however, if such grading is accepted, the LCP must include policy language that would improve the public orientation and accessibility of the public plaza and assure its function as a public activity center. Also, the LCP should specifically address the inland connection from the restaurant to the plaza (rather than through the resort) and prohibit the exclusive use for private functions associated with the adjacent meeting rooms.

In summary, the City has been anticipating redevelopment of the D Downtown District which includes Subdistricts 1, 12 and 15 in the vicinity of the municipal pier, adjacent beach and public amphitheater for some time. The Commission approved LCP amendment #1-91 in February 1992 which allowed a substantial increase in building height (up to 140 ft.) to construct high-rise hotels and timeshare units and to assure provision of visitor-serving recreational facilities as priority uses within this nearshore area. Subdistricts 1 and 12 (nine blufftop blocks) are to be developed pursuant to a Master Plan. In that approval, it was anticipated that Pacific Street would be open to the public and on-street public parking provided. The required Master Plan was to incorporate design standards to offset the impact of the increased building height and maintain the public orientation, openness and view corridors. A 10 ft. setback from Pacific Street and 15 ft. public plazas at corners are required, as well as 30% of the site dedicated to public or semi-public uses for recreational purposes. Subdistrict 15 (three beach level blocks) was not incorporated into the design of the adjacent resort facilities in that LCP amendment and this area was to remain open to the public to provide lower cost public recreational facilities including the amphitheater, parking lot and restrooms that exist today.

Staff believes the proposed policy revisions which address only closure of the streets and creation of the pedestrian promenades, and allow grading of the bluff inland of the beach parking lot, do not adequately address the impacts from the potential resort development, as described above, that could occur as a result of these policy changes. Staff believes the LCP amendment should include a reassessment of the appropriate intensity of use and scale of development, the availability of secured, affordable public parking in the immediate vicinity of its removal, the provision of lower cost visitor and recreational facilities, the provision of offsetting public benefits and the traffic and visual impacts associated with redevelopment in this prime visitor-serving location. The fact that the City found these resort developments consistent with the policies of the certified LCP except for the proposed changes, indicates to staff that more comprehensive policy revisions are required to address the impact of the street closures and grading of the bluff and assure consistency of future redevelopment with the public access and recreation policies and the scenic resource protection policies of the Coastal Act.

Staff recommends that the Commission find the amendment, as submitted, inconsistent with the scenic resource protection, public access and recreation policies of Chapter 3 of the Coastal Act, and recommends denial of the proposed amendment.

The appropriate resolutions and motions begin on Page 8. The findings for denial of the Land Use Plan Amendment as submitted begin on Page 9. The findings for denial of the Implementation Plan Amendment as submitted begin on Page 28.

BACKGROUND

The City of Oceanside's Local Coastal Program (LCP) was certified by the Commission in July of 1985 and the City assumed permit authority and began issuing coastal development permits in March of 1986. The City's certified LCP consists of a Land Use Plan (LUP) and Implementing Ordinances. A portion of the LCP is the Downtown Redevelopment Area, which is 375-acres located in the northwest portion of the City where a Redevelopment Plan was approved in 1975 creating 13 subdistricts. In 1992 the Plan was amended to include 15 subdistricts (LCPA #1-91). The part of Subdistrict 12 west of Pacific Street was placed in Subdistrict 15, with other beachfront areas east of The Strand to the north and south. The allowable height in Subdistrict 12 was increased to 140-feet if certain development design standards such as view corridor preservation, setbacks at the corners, and other measures are met. This amendment also removed the requirement that one-third of The South Strand area be reserved for visitor commercial uses. To offset this provision, minimum requirements for development of visitor commercial uses were imposed in the pier area subject to approval of a Master Plan for the nine-block area east of Pacific Street, between Civic Center Drive and Seagaze Drive.

In 1992 (LCPA #1-91), redevelopment of the three-blocks of the development site between Myers Street and Pacific Street was approved with timeshare, visitor commercial, and hotel uses, however, no redevelopment has occurred in accordance with this LCP amendment.

In 1997, the Oceanside Community Development Commission solicited development proposals to have a resort hotel, convention and conference facility developed adjacent to the municipal pier. The Community Development Commission selected the Manchester Resorts proposal. The western three-block portion of the Manchester Resorts 1997 proposal included redevelopment of Subdistrict 15 which contains Betty's Lot (public parking), the beachfront amphitheater, and the Beach Community Center to include a mixture of public and private recreation and hotel related uses. The City conducted an election on the proposed lease of Subdistrict 15 for these uses on the November 1998 ballot. The measure was approved by approximately 55 percent of the voters and reads as follows:

PROP V: LEASE OF PARKLAND PROPERTY. Shall the property lying east of the beach and The Strand right-of-way and west of Pacific Street from Seagaze Drive to Civic Center Drive, be leased as an acceptable use of City parkland for a development and redevelopment of facilities and recreation uses related to a resort hotel, and which shall include public parking and a new beachfront amphitheater/pavilion entertainment and events facility.

The City Council approved the project on April 5th, 2000. During its review of the City-approved project on appeal, Coastal Commission staff expressed concerns regarding several issues. The issues centered on the private use of the public parkland, the proposed closure of Pacific Street and Pierview Way to become pedestrian promenades, loss of on-street parking in proximity to the beach, and the development (grading) of the

coastal bluffs. As a result of these concerns, Manchester Resorts elected to redesign the project, and the City has processed the subject LCP amendment.

On October 24, 2001, the City approved the subject LCP amendment and coastal development permits for two projects, the Ocean Beach Resort and the Ocean Pier Resort. The City found these LCP revisions were required to be able to find the proposed developments to be in conformance with the certified LCP, as amended. The City's action on both project was appealed on November 29, 2001 by Coastal Commissioners Wan and Detloff, the Sierra Club and Citizens for Beach Preservation (49-day time limit waived pending review of the LCP amendment). This LCP amendment proposes to change both the land use plan and the implementing ordinances to allow the closure of Pacific Street, The Strand and Pierview Way to become pedestrian promenades, and to allow development of the bluff east of the existing beach parking lot and creation of a public plaza above public parking.

ADDITIONAL INFORMATION

Further information on the Oceanside LCP amendment No. 1-2001 may be obtained from Bill Ponder, Coastal Planner, at (619) 767-2370.

PART I. OVERVIEW

LCP HISTORY

The City of Oceanside first submitted its Local Coastal Program Land Use Plan (LUP) to the Commission in July 1980, and it was certified with suggested modifications on February 19, 1981. This action, however, deferred certification on a portion of the San Luis Rey River valley where an extension of State Route 76 was proposed. On January 25, 1985, the Commission approved with suggested modifications the resubmitted LUP and Implementing Ordinances. The suggested modifications included ones related to the guaranteed provision of recreation and visitor-serving facilities, assurance of the safety of shorefront structures, and the provision of an environmentally sensitive routing of the proposed Route 76 east of Interstate 5. The suggested modifications to the Zoning/Implementation phase resulted in ordinances and other implementation measures that were consistent with the conditionally certified LUP policies.

With one exception, the conditionally certified LUP and Implementing Ordinances were reviewed and approved by the City on May 8, 1985. The City requested that certification be deferred on one parcel adjacent to Buena Vista Lagoon designated by the City for "commercial" use; the Commission's suggested modification designated it as "open space." On July 10, 1985, the Commission certified the City's Local Coastal Program as resubmitted by the City, including deferred certification on the above parcel.

On December 17, 1985, the Commission approved the post-certification appeals maps for the City of Oceanside, and the City began issuing permits in March 1986. This is the second major amendment to the Redevelopment Plan area. The last major LCP amendment which addressed this area of Oceanside was LCPA #1-91 approved by the Commission in February 1992. That LCP amendment included the current D Downtown District ordinance which established Subdistricts 1, 12 and 15 comprising the 12-block area located one block north and two blocks south of the pier and extending from The Strand four blocks inland to Cleveland Street (west of the railroad right-of-way). Pacific Street is the first through coastal roadway in this area which currently provides both vehicular and pedestrian lateral access along the blufftop via the street and linear park adjacent to the street. Pacific Street is elevated above the community center, beach amphitheater and public parking lot which are located at beach level on the public parkland inland of The Strand. Vertical access to the pier and beach level public facilities is provided via ramps and stairways at Pierview Way and a stairway at Mission Avenue. As amended, the certified LCP requires the City to prepare a master plan for the three blocks constituting Subdistrict 12 and the six blocks of Subdistrict 1 in the City's Downtown District. The purpose of the master plan requirement is to insure that eventual development of the entire nine-block area includes a minimum of 240 hotel rooms and 81,800 sq.ft. of visitor-serving commercial uses as specified in the certified LCP.

B. STANDARD OF REVIEW

The standard of review for land use plans, or their amendments, is found in Section 30512 of the Coastal Act. This section requires the Commission to certify an LUP or

LUP amendment if it finds that it meets the requirements of Chapter 3 of the Coastal Act. Specifically, it states:

Section 30512

(c) The Commission shall certify a land use plan, or any amendments thereto, if it finds that a land use plan meets the requirements of, and is in conformity with, the policies of Chapter 3 (commencing with Section 30200). Except as provided in paragraph (1) of subdivision (a), a decision to certify shall require a majority vote of the appointed membership of the Commission.

Pursuant to Section 30513 of the Coastal Act, the Commission may only reject zoning ordinances or other implementing actions, as well as their amendments, on the grounds that they do not conform with, or are inadequate to carry out, the provisions of the certified land use plan. The Commission shall take action by a majority vote of the Commissioners present.

C. PUBLIC PARTICIPATION

The City has held Planning Commission and City Council meetings with regard to the subject amendment request. All of those local hearings were duly noticed to the public. Notice of the subject amendment has been distributed to all known interested parties.

PART II. LOCAL COASTAL PROGRAM SUBMITTAL - RESOLUTIONS

Following a public hearing, staff recommends the Commission adopt the following resolutions and findings. The appropriate motion to introduce the resolution and a staff recommendation are provided just prior to each resolution.

MOTION I: *I move that the Commission certify Land Use Plan Amendment #1-01 as submitted by the City of Oceanside.*

STAFF RECOMMENDATION TO DENY:

Staff recommends a **NO** vote. Failure of this motion will result in denial of the amendment as submitted and adoption of the following resolution and findings. The motion passes only by an affirmative vote of a majority of the appointed Commissioners.

RESOLUTION TO DENY:

The Commission hereby denies certification of the Land Use Plan Amendment #1-01 as submitted by the City of Oceanside and adopts the findings set forth below on the grounds that the amendment does not conform with the policies of Chapter 3 of the Coastal Act. Certification of the Land Use Plan amendment would not comply with the California Environmental Quality Act because there are feasible alternatives or mitigation

measures which could substantially lessen any significant adverse impact which the Land Use Plan Amendment may have on the environment.

MOTION II: *I move that the Commission reject the Implementation Plan Amendment for the City of Oceanside as submitted.*

STAFF RECOMMENDATION OF REJECTION:

Staff recommends a **YES** vote. Passage of this motion will result in rejection of Implementation Plan Amendment and the adoption of the following resolution and findings. The motion passes only by an affirmative vote of a majority of the Commissioners present.

RESOLUTION TO DENY CERTIFICATION OF THE IMPLEMENTATION PLAN AMENDMENT AS SUBMITTED:

The Commission hereby denies certification of the Implementation Plan Amendment submitted for the City of Oceanside and adopts the findings set forth below on grounds that the Implementation Program Amendment as submitted does not conform with, and is inadequate to carry out, the provisions of the certified Land Use Plan. Certification of the Implementation Plan Amendment would not meet the requirements of the California Environmental Quality Act as there are feasible alternatives and mitigation measures that would substantially lessen the significant adverse impacts on the environment that will result from certification of the Implementation Plan Amendment as submitted

PART III. FINDINGS FOR DENIAL OF CERTIFICATION OF THE OCEANSIDE LCP LAND USE PLAN AMENDMENT, AS SUBMITTED

A. AMENDMENT DESCRIPTION

The proposed amendment to the certified Oceanside Local Coastal Program (LCP) involves changes to both the land use plan (LUP) and the implementation plan (IP). Changes to the LUP include adding text language to the Coastal Access section to address closure of The Strand, Pierview Way and Pacific Street to vehicular traffic. Pacific Street is the first coastal roadway paralleling the shoreline on the blufftop above beach level and The Strand is the roadway located at beach level. The proposed text addition is as follows:

COASTAL ACCESS

1. The Strand promenade shall be enhanced and shall be reserved as an auto-free zone (with a minimum 28 feet width) between the Pier and the northernmost entrance to Betty's lot. Pedestrians, bicycles, roller blades, skate boarding and other pedestrian/visitor uses shall be allowed. All public safety and beach maintenance vehicles necessary to support the Pier and beach area shall be accommodated within The Strand.

2. Pierview Way between the Pier and the railroad tracks may become a public pedestrian promenade (an auto-free zone with a minimum 50 feet width) and shall link to a pedestrian and bicycle underpass to the east below the railroad tracks so as to provide a continuous and direct pedestrian link from upland (downtown) areas to the Pier and beach area. The promenade shall be enhanced with decorative sidewalk pavers, landscape features, sidewalk furniture and other amenities customarily found in public promenades. All such physical features shall be so designed to ensure that public safety vehicles can access and drive through the promenade, as necessary.
3. Pacific Street may be re-routed to connect with a two-way Myers Street between Seagaze and Civic Center Drive (3 blocks) in which case it shall serve as the first continuous public roadway along the City's coastline for all forms of vehicles, pedestrians and bicycle traffic and shall redelineate the zone of appeal jurisdiction for coastal development permits. If this rerouting occurs, a public pedestrian promenade shall be provided within Pacific Street replacing the existing street pavement from Seagaze Drive north to Civic Center Drive and the promenade shall be a minimum of 50 feet in width. The promenade shall be enhanced with decorative sidewalk pavers, landscape features, sidewalk furniture and other amenities customarily found in public promenades. All such physical features shall be so designed to ensure that public safety vehicles can access and drive through the promenade, as necessary. In addition, the principles and policies contained within the Downtown Oceanside Way-Finding Concept Study (September 2001) which is included as Appendix K in the final Supplemental Environmental Impact Report for the Oceanside Beach Resort shall be followed and used to implement an enhanced pedestrian experience if the Pacific Street promenade is constructed as proposed.
4. Visitor serving uses such as restaurants, retail and visitor serving accommodations proposed on the private lands adjacent to the Pacific Street and Pier View Way promenades shall be required and shall be designed so as to have access points into these businesses for the general public along these promenades.

Additionally, the City has proposed additional text in the following section of the LUP to allow development of the coastal bluff immediately inland of the existing beach parking lot known as "Betty's" lot. The language is proposed to be added to the section of the LUP which prohibits such grading, and would allow development of this particular bluff with creation of a new 40,000 sq.ft. public plaza above public parking to replace the existing beach parking lot, and submittal of a geology report indicating the bluff is isolated, disturbed and no longer provides a sand source. The proposed language is as follows:

**WATER AND MARINE RESOURCES; DIKING, DREDGING, FILLING, AND
SHORELINE STRUCTURES; AND HAZARD AREAS**

5. New development along the City's coastal bluffs and hillsides should assure stability and protection of natural landforms, and neither create nor contribute

significantly to erosion of geologic instability, or in any way require the construction of protective devices that would substantially alter natural landforms.

Substantially disturbed and isolated coastal bluffs (eroded cut slopes) immediately east of Betty's lot that no longer provide sand replenishment resources for the beach may be developed. Such development must include creation of new useable public open space through construction of a minimum 40,000 sq.ft. deck over "Betty's" parking lot and must retain at least the same or a greater number of parking spaces than presently exists (111 spaces). Prior to development a report shall be prepared by a licensed geologist or engineer specializing in coastal bluff development. The report shall make a determination that the coastal bluff is substantially disturbed and isolated and that it no longer provides a sand replenishment source. The report shall be included as part of the regular coastal permit review.

The proposed LCP amendment has been approved by the City to accommodate the construction of two projects, the Oceanside Beach Resort to be developed by Manchester Resorts, and the Oceanside Pier Resort to be developed by Winners Circle Resorts. The City has approved the proposed revisions to the LCP with the belief that these are the only changes necessary to the LCP to find the two resort developments consistent with the certified LCP, as amended. Although the two resort projects are not being reviewed by the Commission as part of the proposed LCP amendment, the fact that the City believes the proposed LCP amendment enables these resort developments, as approved by the City, is relevant information for consideration by the Commission. Therefore, a description of the resort development approved by the City will follow. These findings should not be construed to imply that the Commission agrees with the City's determination that the proposed amendment to the certified LCP is sufficient to make the proposed resort developments consistent with all applicable LCP requirements.

Oceanside Beach Resort

The proposed Oceanside Beach Resort site consists of a four-block area bounded by Pierview Way to the north, Seagaze Drive to the south, The Strand roadway to the west and Myers Street to the east. Two-blocks are blufftop lots inland of Pacific Street. Of these lots, the northern block is vacant and the southernmost block has five residences, one of which is currently being used as an office. The project site also includes two City-owned blocks seaward of Pacific Street and south of the Oceanside Pier where modifications to existing public improvements are proposed as part of the approved development. This portion of the site includes The Strand, a public roadway adjacent to the beach and Pacific Ocean, the beachfront amphitheater, public restrooms (Bathhouse), lifeguard headquarters (under the pier), a police substation, Betty's Beach public parking lot, a fast-food restaurant, the Oceanside Pier, and stairways to the beach. South of the site along Pacific Street are single-family residences interspersed with multifamily residential development, and The Strand Park. The project site is immediately adjacent to the south of the (proposed) Oceanside Pier Resort.

The proposed Oceanside Beach Resort includes a 400-room hotel (2-towers at 140 feet high) with 545,509 sq.ft. guest accommodations; 12,200 sq.ft. retail shops; 6,400 sq.ft. restaurants; 9,400 sq.ft. meeting rooms; and 19,500 sq.ft. ballrooms; a public promenade and two levels of subterranean parking with 483 parking spaces on 4.63 acres. Grading is 175,000 cubic yards of export to remove the coastal bluff in a two-block area.

The proposed development would create an auto-free zone on Pacific Street between Seagaze Drive and Pierview Way, about 750 lineal feet. Pacific Street traffic would be re-routed to Myers Street in this segment. The vacated section of Pacific Street is proposed as a 50-foot wide pedestrian promenade that will provide access to the Oceanside Pier, beach, and the resort. A 250-foot lineal segment of Pier View Way would also be closed to vehicular traffic between the railroad tracks and Pacific Street and would also be a minimum of 50-feet wide. Development of the site will displace an estimated 110 on-street parking spaces. These spaces will be replaced by constructing a surface parking lot west of the railroad tracks near the Oceanside Transit Center. The replacement parking is located three blocks inland of Pacific Street and starting at four blocks south of the pier and extending for three blocks. Access to the hotel complex would be from Myers Street. Setback of the resort from the inland extent of Pacific Street is 0 feet.

The Strand public roadway, between Seagaze Drive and Pierview Way, is also proposed to be closed to all vehicles except police, fire, lifeguard, beach maintenance, and other emergency vehicles. Pedestrian and bicycle access would be provided. This segment of The Strand has already been closed to vehicular traffic for the past 7 years without benefit of an LCP amendment or coastal development permit approved by the City or the Commission.

A number of modifications to public owned facilities located at beach level on the two-blocks south of the pier are proposed with the project. They include: reconfiguring of Betty's lot into a parking structure with 131 spaces and a new 40,000 sq.ft. public open space deck; a terrace and fountain feature between Betty's Lot and the existing amphitheater; a new grand staircase at the western terminus of Mission Avenue; a public elevator on the north side of the pier along the Pacific Street Promenade, which will connect the upper pier area to the lower Strand area; renovation of the bandshell; a water feature within the floor area of the amphitheater that can be removed during special events held at the amphitheater; and renovation of the existing bathroom facilities (bathhouse) adjacent to the amphitheater. No improvements are proposed on the pier, the area under the pier, or the Beach Community Center located to the north of the Oceanside pier. A two- to three-foot-high sand migration wall is proposed along the west side of The Strand roadway to prevent sand from blowing onto The Strand.

Oceanside Pier Resort

The project site for the Oceanside Pier Resort encompasses a one-block blufftop area in Oceanside that is bounded by Pierview Way to the south, Civic Center Way to the north, Pacific Street to the west and Myers Street to the east. The site is mostly vacant, with occasional date palm trees, disturbed ground cover, and ornamental landscape vegetation.

To the north of the site is the San Miguel condominiums. To the east of the site is vacant land with some parking and a small park area bisected by the San Diego Northern Railroad tracks and right-of-way. South of the site is the proposed Oceanside Beach Resort, a proposed 400-room hotel in two 140-foot high structures.

The proposed Oceanside Pier Resort includes 150-timeshare units with 170,815 sq.ft of guest accommodations; 1,585 sq.ft. of retail shops and 4,100 sq.ft. of restaurants, a public promenade, and one level parking structure with 195 parking spaces on a 2.38-acre coastal blufftop site. The timeshare complex is arranged in a 6-story (60-foot high) two tower configuration over one level of subterranean parking. Grading is 45,000 cubic yards of export. Access to the complex is from Myers Street. The portion of Pacific Street located seaward of the resort would become a 50 ft. wide pedestrian promenade. Setback of the resort from the inland extent of the Pacific Street right-of-way is 0 feet.

Pedestrian-oriented visitor commercial uses will be located primarily along the Pierview Village public promenade (5,685 sq.ft.). Pedestrian beach access at Civic Center Drive will not be altered and will continue to be available. No improvements are proposed on the pier, the area under the pier, or the Beach Community Center.

B. CONFORMANCE WITH SECTION 30001.5 OF THE COASTAL ACT

The Commission finds, pursuant to Section 30512.2(b) of the Coastal Act, that portions of the Land Use Plan as set forth in the preceding resolutions, are not in conformance with the policies and requirements of Chapter 3 of the Coastal Act to the extent necessary to achieve the basic state goals specified in Section 30001.5 of the Coastal Act which states:

The legislature further finds and declares that the basic goals of the state for the Coastal Zone are to:

- a) Protect, maintain and, where feasible, enhance and restore the overall quality of the coastal zone environment and its natural and manmade resources.
- b) Assure orderly, balanced utilization and conservation of coastal zone resources taking into account the social and economic needs of the people of the state.
- c) Maximize public access to and along the coast and maximize public recreational opportunities in the coastal zone consistent with sound resource conservation principles and constitutionally protected rights or private property owners.
- (d) Assure priority for coastal-dependent and coastal-related development over other development on the coast.
- (e) Encourage state and local initiatives and cooperation in preparing procedures to implement coordinated planning and development for mutually beneficial uses, including educational uses, in the coastal zone.

The Commission therefore finds, for the specific reasons detailed below, that the land use plan does not conform with Chapter 3 of the Coastal Act or the goals of the state for the coastal zone with regards to preservation of scenic resources and protection of public access and recreational opportunities.

B. NONCONFORMITY WITH CHAPTER 3 POLICIES

1. Land Use/Intensity of Development

The certified LCP calls for preparation of a master plan for the nine-block area comprised of Subdistricts 1 and 12 inland of Pacific Street. The purpose of the master plan is to assure a minimum amount of visitor-serving commercial facilities and tourist and visitor-oriented hotels are provided.

Subdistrict 12 is the three blocks immediately inland of Pacific Street and Subdistrict 15. The LCP states the objective of Subdistrict 12 is “to provide a special tourist/visitor oriented subdistrict that relates to the pier, ocean, beach, marina and freeway.”

Subdistrict 1 is a six-block area immediately inland of Subdistrict 12. The LCP states the objective of this subdistrict is “to provide a commercial/retail and office complex offering a wide variety of goods and services to both the community at large and to tourists and visitors. Residential uses are encouraged when and where appropriate.”

The LCP also designates the three blocks in Subdistrict 12 and the three blocks in Subdistrict 15 that are proposed for redevelopment in the resort projects approved by the City, as “Coastal Dependent, Recreation and Visitor-Serving Commercial”. The LCP describes this land use category as follows:

This land use category encompasses specialized commercial uses that are directly dependent, supportive or related to the coast. Such uses provide services or goods for coastal industries or recreationists, and include boat slips, supplies, and service; diving, commercial fishing, and sport fishing establishments; restaurants, snack bars and convenience markets; gift sundries, and novelty shops, transient accommodations, such as hotels, motels, tourist cottages, campgrounds and recreational vehicle parks; and recreational equipment rentals.

Additionally, the LCP includes the following policies applicable to the nine-block Master Plan area.

- a. Tourist and visitor oriented hotels are to be constructed in 2 phases with 120-250 units per phase.
- b. Visitor serving commercial facilities shall be provided at a minimum of 81,800 sq.ft.
- c. Development in Subdistrict 12, the three blocks bounded by Pacific Street, Myers Street, Seagaze Drive and Civic Center Drive shall be required to be master-planned to insure a minimum intensity of visitor serving commercial facilities to include at least:

1. 92 hotel rooms, and
 2. 33,600 sq.ft. of visitor serving commercial space
- d. Development in a portion of Subdistrict 1, the six blocks adjacent to the AT&SF Railroad right-of-way bounded by Myers Street, Cleveland Street, Seagaze Drive and Civic Center Drive shall be reserved to provide for the remainder of the 120-250 hotel rooms and 81,800 sq.ft. of visitor-serving commercial facilities not provided for in Subdistrict 12.

Additionally, the LCP includes development criteria applicable to this area which addresses height limits, setbacks, view preservation, public use requirements and maximum density and intensity in order to provide for both public access and commercial recreational and visitor-serving facilities within this nine-block area. The purpose of the LCP policy language and master plan requirement was to assure that the area would be redeveloped with hotel and commercial development consistent with the public access and recreation policies of the Coastal Act and to not allow the area to be redeveloped with lesser priority development, such as residential and/or office use.

With the subject LCP amendment, the City has approved two resort developments which would provide 400 hotel units, 159 timeshare units, and 24,285 sq.ft. of visitor serving commercial development, collectively. This amount of commercial development would exceed that required by the Master Plan; however, the master plan does allow for build-out of all the required commercial development within Subdistrict 12, if possible, rather than also utilizing Subdistrict 1.

Additionally, the greater amount of commercial development on these sites may be possible because the City included the right-of-way of Pacific Street as the site area to which the master plan development standards were applied. Those standards are established in D Downtown District Ordinance section (N) (2) which include, but are not limited to, a maximum 60% site coverage requirement; additional setbacks at street corners to create plazas; a pedestrian promenade adjacent to development on Pacific Street; a minimum 30% of the entire master plan area for public or semi-public uses for recreational purposes, with paving for streets, driveways and parking areas not counted toward this requirement; and, view corridor preservation with only minimal encroachments into existing right-of-ways for landscaping, food/sundries, kiosks and street furniture. Other applicable standards address maximum intensity of development through FAR regulation and maximum height limits which apply to a specific percentage of development.

By including Pacific Street in the site area, the street itself was counted as meeting the 30% public use requirement (contrary to the policy), and the plaza and building setbacks were measured from the seaward extent of the right-of-way. Therefore, the approved resort development covers the entire three block area without setbacks, and with all the public amenities envisioned by the ordinance provided off-site within the adjacent street right-of-ways which are proposed as pedestrian promenades. Although the standards indicate that only minimal encroachment into the right-of-ways is allowed for landscaping, food/sundries, kiosks and street furniture, as approved by the City, the 50 ft.

wide pedestrian promenades are the only blufftop areas remaining where such amenities could be provided.

At the time the Commission approved the certified LCP language, the possibility of the street being included within the project site was not contemplated, and the required setbacks, corner plazas and public use requirement were to be provided on the portion of the development site inland of the street right-of-way. These requirements are designed to encourage public access and protect public views throughout this critical upland area immediately adjacent to the municipal pier, beach amphitheater, community center and wide sandy beach which is a prime visitor-serving destination within the City of Oceanside. Although the Commission is not reviewing the projects as approved by the City at this time, the fact that the City believes such development pattern and intensity is consistent with the certified LCP, if Pacific Ave. becomes a pedestrian promenade and the bluff is allowed to be graded, suggests that other more comprehensive changes are required to the development standards applicable to this area. Necessary changes should, at a minimum, retain required setbacks, clarify the site boundaries to which the standards apply and reassess the appropriate siting and development intensity for the area.

Additionally, Subdistrict 15 is not included in the master plan area identified in the currently certified LCP. The certified LCP states the objective of the Subdistrict 15 is “to provide for public facilities, public parks, open spaces, and other public oriented uses.” Subdistrict 15 includes the entire Strand and beach area between Wisconsin Street to the south and the harbor on the north and allows commercial parking facilities and eating and drinking facilities. Retail sales are currently allowed only if related to the operation of a pier baitshop and kiosks, and then only with Community Development Commission approval. The extent to which the private development potential of Subdistrict 15 is affected by the proposed changes to the LCP which would allow grading the bluff and closure of The Strand and Pacific Streets to become pedestrian promenades is of concern to the Commission and is addressed in the following finding.

2. Lower-Cost Visitor and Recreational Facilities.

Section 30213 of the Coastal Act states:

Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided. Developments providing public recreational opportunities are preferred. 30213 of the Coastal Act states, in part, that “lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided. Developments providing public recreational opportunities are preferred...”.

Section 30221 states:

Oceanfront land suitable for recreational use shall be protected for recreational use and development unless present and foreseeable future demand for public or commercial recreational activities that could be accommodated on the property is already adequately provided for in the area.

Section 30223 states:

Upland areas necessary to support coastal recreational uses shall be reserved for such uses, where feasible.

Currently, there is a variety of low or no cost visitor-serving amenities provided within Subdistrict 15 (bandshell, lower cost restaurant) and the municipal pier which are highly accessible to all members of the public. The beach amphitheater next to the pier provides a unique opportunity for community-oriented events to be held in an oceanfront setting, as does the community center located at beach level north of the pier.

There is currently unobstructed public access and views of the ocean, pier and shoreline offered from Pacific Street in this area because it is on the blufftop above beach level. Additionally, Mission Ave. is a prime visitor-serving roadway providing direct access from I-5 to the beach and currently one of the few streets providing vehicular access across the railroad tracks. The LCP language would allow closure of the segment of Pacific Street from Civic Center Drive to Seagaze Drive, and closure of Pierview Way from Pacific Street to the railroad tracks. These upland public access routes would be replaced by pedestrian promenades. Mission Ave. west of Myers Street would remain open to vehicular traffic as access to the resort hotel and its commercial and resort-oriented facilities only, and would terminate at the porte cochere/entry court for the resort inland of the Pacific Street pedestrian promenade.

The Oceanside Beach Resort project includes a grand stairway, which would be located across the 50 ft. wide promenade from the resort's entry court at Mission Ave. The grand stairway can be constructed in the proposed design only if grading of the bluff is permitted, thus, this design would be enabled by approval of the subject LCP amendment. The stairway, as approved by the City, includes two staircases with interior fountain, and extends down to beach level (+12 ft.) via two stairways off the pedestrian promenade (+43 ft.). There are landings shown at elevation +16 ft. and +27 feet. The stairway, as approved by the City, would occupy approximately 80 lineal feet of beach front in the area immediately north of the potential parking garage and elevated public plaza.

The proposed public plaza is approximately 40,000 sq.ft. and is to be located one level above a beach parking garage at elevation +27 ft. There is no connection shown from the stairway directly to the public plaza. Access to the plaza is from two separate staircases leading down from the Pacific Street pedestrian promenade towards the center of the plaza; and access is also provided from the beach at two separate staircases on the northwest and southwest corners of the plaza. Additionally, there are doorways shown to the resort meeting rooms adjacent to and inland of the plaza; however, this area of the resort would not be open to the public. The City has also indicated public access to the plaza will have to be redesigned to accommodate handicap access requirements.

The Commission recognizes the passage of the ballot measure that would allow lease of the City parkland comprising Subdistrict 15 for "development and redevelopment of facilities and recreation uses related to a resort hotel, and which shall include public parking and a new beachfront amphitheater/pavilion entertainment and events facility."

However, the Commission notes if facilities associated with a private resort are located on land currently owned and used by the public, such facilities should be appropriate and available to the general public as well as guests of the resort. The conversion of oceanfront public parkland for resort use would be inconsistent with the certified LCP which allows a variety of uses in Subdistrict 15, but mostly public facilities, parks, open space and commercial establishments related to fishing and kiosks. All facilities in Subdistrict 15 should serve the general public.

Further, grading of the bluff to accommodate greater development potential on the block containing the existing Mission Ave. access stairway and “Betty’s” lot within Subdistrict 15 could only be permitted if there is a clear and enhanced benefit to public access and recreational opportunities associated with such a significant change in policy. The Commission finds the proposed language which requires creation of a public plaza above public parking does not contain sufficient detail as to how the public use area would function, and the accessibility to the public of the plaza from the beach, pedestrian promenade and the adjacent public access stairway. Additionally, the inland connection to the restaurant from the plaza (rather than through the resort) and the potential for exclusive use for private functions associated with the resort meeting rooms should be specifically addressed in LCP policies. Only through policies which enhance public access and which maintain Subdistrict 15 open and available to the general public to the same or to a greater extent as through the existing facilities, could the Commission support such a policy revision to the certified LCP.

The proposed LCP amendment, as submitted, would enable the construction of a large, high-end hotel and timeshare complex that will not be affordable to the majority of the general population. These structures will occupy areas that could be developed to accommodate the general public with such commercial or public recreational uses as restaurants, retail shops, and open space. Alternatively, the Commission finds approval of the amendment, as submitted, would allow this location to be developed in a manner that is exclusive of the general public and would discourage public access and recreational use of this prime visitor-serving location. Although the amendment contains policy language that encourages visitor-serving uses adjacent to the promenades, the proposed policy changes have the potential to diminish the area available adjacent to the beach and within the adjacent upland to provide such lower cost visitor and recreational facilities which support coastal recreational uses, inconsistent with Section 30213, 30221 and 30223. Additionally, the LCP amendment does not contain specific policy direction or offsetting public benefits to assure public coastal access and recreational opportunities will be maximized and enhanced rather than diminished. Therefore, the Commission finds the LCP amendment, as submitted, must be denied as it does not meet the requirements of the public access and recreation policies of the Coastal Act.

3 . Public Access/Pedestrian Orientation

Section 30210 of the Coastal Act states:

In carrying out the requirement of Section 4 of Article X of the California Constitution, maximum access, which shall be conspicuously posted, and recreational

opportunities shall be provided for all the people consistent with public safety needs and the need to protect public rights, rights of private property owners, and natural resource areas from overuse.

Section 30211

Development shall not interfere with the public's right of access to the sea where acquired through use or legislative authorization, including, but not limited to, the use of dry sand and rocky coastal beaches to the first line of terrestrial vegetation.

As noted above, numerous Coastal Act policies pertain to the provision of public recreational opportunities and adequate public access to the shoreline. Section 30252 also requires the location and amount of new development should maintain and enhance public access to the coast by facilitating the provision or extension of transit service, by providing non-automobile circulation within the development, and by providing adequate parking facilities or substitute means of serving the development with public transportation. When development does not provide adequate parking facilities, or alternative means of non-automobile access, the general public can be precluded from accessing the shoreline.

The first new section of the amendment to the Coastal Access section of the LUP would allow closure of the segment of The Strand from one block north of the pier to two blocks south of the pier to vehicular traffic. The Strand would be enhanced as a 28 ft. wide pedestrian promenade in the same location as the current roadway. Safety and beach maintenance vehicles would be permitted along with pedestrians, bicycles, roller blades and skateboards. This proposed use is consistent with how The Strand has operated the last 7 years. The City closed this portion of The Strand to vehicles in 1995 and was told by Commission staff the closure requires an LCP amendment and a coastal development permit. The closure of this segment of The Strand has had a positive impact on public access and is consistent with the existing pedestrian orientation of the facilities located on the beach and the pier. Beach level public parking exists at "Betty's" lot (111 surface spaces) south of the pier and a small surface lot north of the pier which will remain.

The Strand is accessed by Surfrider Way and Seagaze Drive in the project area. It is one-way northbound north of Surfrider Way and one-way southbound of Seagaze Drive. It is two-way between these streets and the closed areas, providing access to parking lots. Parking is prohibited along The Strand. The speed limit is posted at 15 mph.

The Strand restriction of vehicular traffic from Betty's Lot entrance to Civic Center Drive was studied in a separate traffic report. Vehicular traffic is currently prohibited year-round from the Oceanside Pier south to the entrance of the Betty's lot and from 10:00 p.m. to 6:00 a.m. daily north of the exit to the pier parking lot to Surfrider Way. The beach resort development would provide a pedestrian promenade along the portion of The Strand from the proposed Betty's Lot entrance to Civic Center Drive, with access only to emergency, lifeguard, and service vehicles. The traffic report concluded that under current and future conditions pedestrian safety is improved in the vicinity of the pier and no significant impacts on adjacent streets or intersections were identified from

this closure.

The second component proposed to be added to the Coastal Access section of the land use plan would allow Pierview Way to become a pedestrian promenade between Pacific Street inland to the railroad tracks. Currently, this street segment provides on-street parking, links Pacific Street to Myers Street and terminates at the railroad tracks. A pedestrian and bicycle underpass is currently under construction to provide a continuous and direct pedestrian link from the upland (downtown) areas to the pier and beach area. Pierview Way terminates into the pier, and the proposed amendment indicates visitor-serving uses such as restaurants, retail and visitor serving accommodations proposed on the private lands adjacent to the Pierview Way promenade shall be required and shall be designed to have access points into these businesses for the general public. Therefore, the intent of the LCP amendment is to provide for public activating uses along the pedestrian promenade and landscape features, street furniture, etc. within the right-of-way. The closure of this segment to vehicular access does not represent a significant conflict with the public access and recreation policies of the Coastal Act, if the displaced on-street parking is replaced in proximity and within walking distance of the pedestrian promenade.

The third component proposed to be added to the Coastal Access section would allow the closure of the segment of Pacific Street to through traffic from Civic Center Drive (one block north of the pier) to Seagaze Drive (two blocks south of the pier) and re-routing of this first coastal roadway inland one block to Myers Street. Pacific Street currently provides the vehicular access connection between Seagaze Drive and Surfrider Way which is not provided via The Strand. Even when The Strand was open to vehicles, it was not a two-way thoroughfare and not the designated first public roadway.

The City is proposing a significant revision to the traffic circulation pattern in the nearshore area and has completed a Downtown Oceanside Wayfinding Study as Appendix K to the final supplemental EIR (October 2001) which identifies a comprehensive framework for pedestrian and bicycle circulation in downtown Oceanside. This study is referenced in the submitted LCP policy language to be followed and used to implement an enhanced pedestrian experience if the Pacific Street promenade is constructed as proposed.

The City of Oceanside, unlike a number of beach communities, has an abundance of parking facilities within walking distance of the shoreline. The Wayfinding study identifies the location of all the existing parking lots which serve several major activity centers in the downtown and nearshore areas including, the beach, the beach community center, the pier plaza amphitheater, Tyson Street park, Strand Beach park, The Strand, Oceanside pier, Coast Highway retail area, Historical Block, Oceanside Civic Center, Oceanside Library, Oceanside Museum, Oceanside Transit Center, Regal Cinema, and the Surf Museum. According to the study, no location within the Downtown is more than six-tenths of a mile, or about a seven to nine minute walk, from the nearest bluff access point. Additionally, no location within the Downtown is more than one-half mile, or about a six to eight minute walk, from the nearest railroad crossing point. Only three

east-west routes in the study area traverse the railroad tracks, i.e. Surfrider Way, Mission Ave. and Wisconsin Ave.

Further, the Oceanside Transit Center is located four blocks south and four blocks east of the pier and is planned to eventually serve North County Transit, Metrolink, Coaster, light rail, Greyhound, Amtrak, and expanded local transit including the Fast Forward program. Due to the location of the transit center, the amount of available parking and the proximity of the major visitor and civic attractions to the shoreline, the City has the opportunity to create a viable pedestrian-oriented, public activity center in the vicinity of the beach and pier. The Wayfinding study has been submitted as part of the LCP and would be used to identify pedestrian trails and support facilities necessary to implement the goals of the study in the City's review of future development proposals within the study area. Such pedestrian-orientation and reduced reliance on the automobile is consistent with Section 30252 of the Coastal Act.

However, the revised traffic circulation pattern and pedestrian promenade system envisioned in the proposed LCP amendment would result in the loss of 110 on-street parking spaces which are currently located within one-block of the pier and beach access points. Also lost would be the ability for those members of the public not able to walk freely or for long distances to drive in proximity to the shoreline and experience the vast views of the ocean, pier and sandy beach from the intersection of Pacific Street and Pierview Way. Although the LCP contains policies which assures development seaward of the bluff cannot extend above the level of Pacific Street, unobstructed views of the shoreline are not available in all locations along Pacific Street to the north and south. Additionally, the pier area is currently the primary visitor-serving commercial node at the beach. A restaurant is provided at the end of the pier, and a snack shop is located at the base of the pier. During the summer months, beach rental stands/kiosks are permitted along The Strand and in the vicinity of the amphitheater. Temporary events, such as volleyball tournaments and surfing contests are regularly held within Subdistrict 15 within the beach area north and south of the pier. Thus, the existing on-street parking reservoir in the nearshore area which would be displaced, is in peak demand particularly during the summer beach season. Further, the existing beach parking lots which are closest to this location are first utilized and in greatest demand.

The current LCP policy anticipates the loss of some on-street parking and indicates such parking must be relocated west of the railroad tracks. However, approximately 110 on-street parking spaces are lost in the project area and replacement parking is proposed approx. 6-8 blocks away from the project area, rather than in proximity to the impact. There are several other existing parking lots one block inland of the railroad tracks at Pierview Way and Mission Ave. that would be more suitable as replacement parking for that lost through the pedestrian promenades; however, the LCP policy requires installation of new parking to augment the existing supply, and, as stated, there is currently demand for all the existing parking in proximity to the pier. The Wayfinding study has the following recommendations regarding parking.

“Update the parking plan for Downtown. Parking is an origin, or generator of pedestrian activity. As development occurs, sites currently used for beach-going

parking are likely to be replaced by other uses. Replacement parking will be necessary in order to maintain public access, and should be integrated into the wayfinding framework. Notwithstanding a financial analysis, replacement parking may be provided as part of individual development projects or may be focused at selected city-owned parking structure sites. As stated in section 6.1.1, the location of driveways should be carefully integrated with the wayfinding framework in order to maintain the emphasis on pedestrian-oriented trails. “

This language indicates there is no guarantee that the parking lots currently providing beach parking will be maintained as such. Additionally, this Wayfinding study is assuming the closure of Pacific Street and Pierview Way and development of the Oceanside Beach Resort and Oceanside Pier Resort as approved by the City. While the study provides an excellent analysis of the existing parking and the ideal pedestrian access routes to enhance the pedestrian orientation of the downtown and nearshore areas, it is not mandatory or binding on any future redevelopment within the study area. The study uses words such as “should” or “may” rather than “shall”, and “encourages” rather than “requires” when referring to what the Commission finds to be necessary offsetting measures or benefits to assure conformance with the Coastal Act.

Necessary support facilities, such as strategically placed parking, to implement a viable pedestrian circulation system is particularly critical for its success and consistency with the Coastal Act. The LCP amendment, as submitted, lacks a specific commitment to a minimum number of public parking spaces to be secured at all times to replace those lost through the subject redevelopment proposals, as well as to serve the ongoing and ever-increasing demand for public recreational facilities. Other offsetting measures which must be more thoroughly explored and the mechanisms identified for their implementation include, but are not limited to, a beach access shuttle from parking lots and the transit center; a parking and traffic management plan for events and peak use periods; beach drop-off locations; transit service on the weekends; and provision of public parking in the underground garage with commensurate reduction in intensity of use. Without a greater commitment to implementation of these kinds of offsetting measures to mitigate the impact of the pedestrian promenades on general public access to the shoreline, the Commission cannot find the LCP amendment, as submitted, maximizes public access for all persons consistent with Section 30210 of the Coastal Act.

4. Scenic Resource Preservation/Landform Alteration

Section 30251 is applicable to the proposed LCP amendment and states “the scenic and visual qualities of coastal areas shall be considered and protected as a resource of public importance. Permitted development shall be sited and designed to protect views to and along the ocean and scenic coastal areas, to minimize the alteration of natural land forms, to be visually compatible with the character of surrounding areas, and, where feasible, to restore and enhance visual quality in visually degraded areas. “ The proposed LCP amendment, as submitted, would allow for grading of the natural landform inland of the beach parking lot and creation of a 40,000 sq.ft. public plaza above public parking.

Certified LCP land use plan policies state:

1. In areas of significant natural aesthetic value, new developments shall be subordinate to the natural environment.
2. All new development shall be designed in a manner that minimizes disruption of natural landforms and significant vegetation.
3. The City shall maintain existing view corridors through public right-of-way.
4. The City shall encourage development of viewing areas at the Pacific Street Linear Park....

The proposed LCP amendment would allow grading and/or elimination of the coastal bluff landform which separates Subdistrict 15 (public parkland) from Subdistrict 12 and Pacific Street which are located on the bluff above the beach. This grading would completely remove the bluff and a portion of the existing Pacific Street Linear Park which is a public improvement sponsored by the Coastal Conservancy. As graded, the elevation of the project would go down to as low as the +12 ft. NGVD elevation which is the elevation of the beach seaward of Pacific Street. Currently, the elevation of Pacific Street is at approximately +43 ft. NGVD. Thus, the LCP amendment is required because such landform alteration is inconsistent with the current certified LCP which requires new developments to be subordinate to the natural environment and minimize landform alteration.

A report prepared for the subject LCP amendment by Walt Crampton titled "Status of Pacific Street Slope The Pier Plaza and Oceanside Beach Resort, Oceanside, California" dated 6/5/01 states, in part:

"The project site is located along a 40+ foot high coastal bluff at the westerly margin of the coastal terrace. The terrace is a gently southwesterly-sloping wave-cut surface approximately one-mile wide upon which non-marine and nearshore marine sediments were deposited during the Pleistocene epoch. The coastal bluff terrace deposits are in turn underlain by middle Miocene and Eocene marine sedimentary rocks.

Along this section of coastline, the face of the bluff varies in inclination, with much of the upper part near vertical, and the lower part typically inclined at 40 to 60 degrees (Figure 1). A wide area between the bluff and the ocean was set aside for residential and commercial development, and a street, Paseo Del Mar (today "The Strand"), was constructed approximately 125 to 170 feet west of the bluff in circa 1905. This action effectively removed this section of bluff from marine processes, effectively severing the pre-anthropogenic coastal geomorphic processes."

The Commission concurs the bluff is disturbed in the location targeted by the LCP amendment through development of the adjacent streets and amphitheater; however, it is still a natural landform providing an elevational difference between the blufftop and beach level. Further, although the City's LCP allows for development seaward of the bluff due to the pattern of development established prior to the Coastal Act, it does not allow grading of the adjacent bluff to accommodate such development. The proposed LCP amendment is a departure from current policy and the City has designed the

language to be potentially applicable only to the bluff inland of “Betty’s” lot to avoid the possibility of the LCP amendment establishing a precedent for wholesale removal of the coastal bluff inland of Oceanside’s shoreline.

However, the combination of the closure of Pacific Street and grading of the coastal bluff allows a potential building envelope within Subdistrict 12 which is closer to the shoreline and starting at beach level. Additionally, the grading of the bluff provides an increased development potential for Subdistrict 15 at beach level. The grading of the bluff allowed by the policy change would accommodate an open public plaza above the beach level parking garage (131 spaces) and construction of the grand stairway; however, as approved by the City, it would also accommodate additional resort parking at beach level extending from the previous bluff location inland to Myers Street (304 spaces), and a second higher level of underground resort parking (179 spaces) and administrative use which would occupy the area inland of a beach-facing fitness center, restaurant, and four meeting rooms to serve the resort. This second level would be located below the public right-of-way and at the same level and inland of the public plaza. As designed, the public plaza would be accessed most directly from the resort facilities, and would be recessed below the pedestrian promenade and elevated above the beach.

Therefore, with the grading of the natural landform permitted by the LCP amendment, the resort development could be constructed at beach level and include two additional levels of “below grade” development not anticipated in approval of the currently certified LCP. The result is a more intense, massive resort development as viewed from the adjacent public use areas including the beach, amphitheater and the pier. Measures to mitigate the visual impact of the resort development, such as, reduction in building height and/or mass, increased setbacks from the public pedestrian promenade, additional landscape screening, etc., have not been included in the LCP amendment. Instead, the City has interpreted the language to allow the setbacks previously required from the inland extent of the Pacific Street right-of-way, to be measured from the seaward extent of the right-of-way (existing lineal park at the current bluff edge).

In general, the City of Oceanside’s certified LCP allows a scale of development that is higher and more intense than any development that exists elsewhere in the City. The certified LCP allows construction of two 140-foot high hotel towers and two 65-foot high timeshare towers. The Commission acknowledges the proposed towers are sited in a manner to have the least impact on views from streets (view corridors) that provide views to the ocean. As mitigation for impacts to public views, the certified LCP includes language which requires development in the nine block Master Plan Area to be sited and designed to maintain public view corridors through and adjacent to the project.

Additionally, in its action on LCPA #1-91, the Commission certified language which allowed for additional height on a case-by-case basis for mixed-use development within Subdistricts 1 and 12 only if certain standards and regulations are incorporated which are designed to assure “superior design results”. Those standards are established in D Downtown District Ordinance section (N) (2) which include, but are not limited to, a maximum 60% site coverage requirement; additional setbacks at the corner of the center block a minimum dimension of 15 ft. to create plazas; a pedestrian promenade along

Pacific Street; a minimum 30% of the entire master plan area for public or semi-public uses for recreational purposes, with paving for streets, driveways and parking areas not counted toward this requirement; and, view corridor preservation with only minimal encroachments into existing right-of-ways for landscaping, food/sundries, kiosks and street furniture. Other applicable standards address maximum intensity of development through FAR regulation and maximum height limits which apply to a specific percentage of development.

As stated previously, the City has included the Pacific Street promenade as part of the site area when calculating the site coverage, FAR and public use requirements. However, the LCP requires that such public uses be developed within the site plan and outside the Pacific Street and other public right-of-ways. Additionally, a 10 ft. setback and 15 ft. corner plazas are required by the LCP. Since the setback and plaza requirement is being measured from the seaward extent of the right-of-way, the City has found the setback is met by the 50-foot wide promenade. The grading of the bluff will allow two additional levels of development below the existing bluff grade and under public right-of-way, extending to the pre-existing bluff edge. The proposed high-rise development above bluff level will be setback only 50 feet to accommodate the pedestrian promenade.

Therefore, the Commission finds the appearance of the 12-story, high-rise development as viewed from the pier, beach and adjacent public use areas will be as if it is constructed at beach level and thus, 14 stories in height. Currently, the bluff provides a vegetative break in the development pattern which would be eliminated. This pattern of development is not what was anticipated in approval of LCP amendment #1-91 which allowed the potential for high-rise resort development in this shoreline location only with offsetting measures such as increased setbacks and corner plazas. Should the grading of the bluff and closure of the streets be permitted, the City should reconsider the scale and bulk of development in Subdistrict 12 to offset the encroachment into areas otherwise available for more open public activating uses. As submitted, the Commission finds the proposed LCP amendment does not include sufficient policy direction to guide the scale, bulk and proximity of the adjacent resort development to public use areas to find consistency with Section 30251 and, as stated previously, the public access and recreation policies of the Coastal Act.

5. Traffic and Circulation.

Regarding traffic, as part of the environmental review for the proposed LCP amendment, a traffic analysis was prepared to determine and evaluate the traffic impacts on the local circulation system associated with the closure of the three coastal access routes and construction of the resort improvements. The SEIR identifies significant impacts to traffic and circulation for a number of signalized and unsignalized intersections and street segments, including prime and secondary arterials in the project area. These impacts would increase intersection delays and decrease level of service in excess of thresholds allowed by the City of Oceanside which has jurisdiction over the streets and intersections. Significant and unmitigated impacts on direct and cumulative traffic and parking would occur due to adverse levels of service at the Mission Avenue/Coast Highway intersection and on the street segment of Coast Highway from Surfrider Way to Michigan Avenue.

These impacts could be mitigated by intersection improvements at the Mission Avenue/Coast Highway intersection and the Seagaze Drive/Coast Highway intersection, by eliminating on-street parking at these locations. However, the City found that eliminating these spaces will greatly impact existing businesses by eliminating public parking. It approved the project and associated unmitigated traffic congestion without the replacement parking mitigation measure as an "Overriding Consideration" under CEQA.

According to the traffic report, impacts at intersections and arterials are determined "significant" if the addition of "development" traffic causes a decrease in LOS to worse than LOS D (LOS E or F). The Mission Avenue/Coast Highway intersection is calculated to worsen from existing LOS C to LOS E for both weekdays and Saturday with the potential resort development and associated street closures. Implementation of the mitigation measures proposed by the traffic consultant would improve both weekday and Saturday operations to an acceptable LOS D at this intersection. The mitigation measures include adding and restriping approaches to create turn and through lanes and removing curbside parking on both sides of Mission Avenue at Coast Highway. The report also recommends that curbside parking on both sides of Coast Highway at Seagaze Drive be removed (and adding lanes etc.). As approved by the City, without the requirement to remove the curbside parking, the project would result in an unacceptable LOS E.

Therefore, the City found that the approved project with the street closures would have adverse traffic/circulation impacts unless mitigated. However, the City also found the mitigation, if implemented, would impact coastal access opportunities by eliminating additional on-street parking. The City chose to not eliminate the parking spaces; however, by that choice the circulation impacts on these critical nearshore street segments remain unmitigated. As such, the Commission finds the amendment cannot be found consistent with Section 30252 of the Coastal Act which requires that new development should maintain and enhance public access to the coast.

Additionally, significant impacts to access were identified in the project area during peak summer periods when the amphitheater is full (approx. 2,500 people). At such times stacking and related congestion may occur in the project area as vehicles wait in limited space to enter and leave the area. Mitigation measures identified to reduce the impact to below a level of significance include providing turn and through lanes at a number of streets and intersections and implementation of a traffic management plan. The details and goals of the traffic management plan is outlined in the SEIR. However, the LCP amendment, as submitted, does not include requirements for a traffic management plan as part of any future development approval. The Commission finds additional policy language is needed in the certified LCP to identify the elements of a required traffic and parking management plan for any redevelopment of the subject six-block pier area (bounded by The Strand, Myers Street, Seagaze and Civic Center Drive).

6. Lower Cost Accommodations

The proposed hotel represents a high-cost visitor facility prohibitively expensive to a large segment of the general public. As such, it is important the project be designed to

attract the general public to the proposed restaurants, retail areas and plazas. When exclusive visitor accommodations are located on the shorefront, they occupy area otherwise available for lower cost visitor and recreational facilities. In this particular case, the LCP contains specific policy statements addressing the protection of existing lower cost visitor and recreational facilities in the City.

Policy 26 of the Oceanside LUP requires the City to protect a mix of 375 lower cost hotel and motel units and 220 recreational vehicle camping sites within the coastal zone, 20% in shorefront locations. No demolition of units are allowed which would result in the inventory to drop below 20%; the City shall report the inventory of affordable hotel/motel units to the Commission on an annual basis. To address whether or not sufficient lower cost overnight accommodations are already provided for in the project area, City staff has provided a recent inventory of low to moderate cost accommodations in Oceanside's downtown area.

The inventory provides a list of the largest summer rental units that are available within the coastal zone. These 489 hotel/motel units have a average daily rate of \$51 and an average maximum rate of \$82. The availability of the units varies but they are typically fully booked during the peak months of the summer season. The City indicates the lower cost units that were targeted for protection by the LCP policy continue to exist today. Also, although not technically shorefront, all of the identified hotel/motel units are at Coast Blvd. or seaward and are, thus, in nearshore areas. The summary is as follows:

Existing Lower Cost Hotel/Motel Units

<u>Name</u>	<u>Location</u>	<u>Number of Units</u>	<u>Winter</u>	<u>Summer</u>
Beachwood Motel	210 Surfrider Way	28	\$45-\$55	\$50-\$60
Coast Inn	921 North Coast Highway	27	\$45	\$55
Days Inn at the Coast	1501 Carmelo Drive	80	\$55-\$75	\$75-\$125
Dolphin Hotel	133 South Coast Highway	25	\$35-\$58	\$35-\$58
Guest House Inn	1103 North Coast Highway	80	\$55-\$75	\$64-\$94
Hill Top Motel	1607 South Coast Highway	13	\$35	\$45
Motel 9	822 North Coast Highway	44	\$49-\$99	\$49-\$99
Ocean Breeze Inn	2020 South Coast Highway	11	\$45-\$55	\$55-\$65
Oceanside Inn & Suites	1820 South Coast Highway	21	\$45	\$59
Oceanside Travelodge	1401 North Coast Highway	28	\$47-\$77	\$57-\$97
Pacific Inn	901 North Coast Highway	59	\$50-\$65	\$50-\$65
Inn of Oceanside	900 North Coast Highway	106 (under const.)	N/A	
Oceanside Marina Inn	2008 Harbor Drive North	52	\$205-235	\$205-\$235
Marina Del Mar	1202 North Pacific Street	42	\$89-\$153	\$196-\$371
Roberts Cottages	704 North The Strand	24	\$412(wk)	\$660(wk)

Total	640
Minimum Required By LCP	375

Shorefront Lower Cost Hotel/Motel Units

<u>Name</u>	<u>Location</u>	<u>Number of Units</u>
Oceanside	2008 Harbor Drive North	52
Marina Del Mar	1202 North Pacific Street	42
Roberts Cottages	704 North The Strand	24

Total	118
Minimum Required By LCP	75

Recreational Vehicle/Camping Sites

<u>Name</u>	<u>Location</u>	<u>Number of Spaces</u>
Casitas Poquitos	1510 South Coast Highway	134
Paradise By the Sea	1537 South Coast Highway	102

Total	236
Minimum Required By LCP	220

According to the City, this information indicates that ample lower-cost visitor-serving opportunities exist in the City. Based on the above analysis, it appears lower cost visitor accommodations are adequately provided for in the City which would offset the exclusive nature of the proposed resorts.

PART IV. FINDINGS FOR REJECTION OF THE OCEANSIDE IMPLEMENTATION PLAN AMENDMENT, AS SUBMITTED

A. AMENDMENT DESCRIPTION

The LCP amendment proposes to modify existing zoning regulations contained in the D District Ordinance, which is part of the City's Zoning Ordinance and an implementing ordinance of the LCP. As background, in 1975, the City of Oceanside adopted a Redevelopment Plan for revitalization of 375-acres located in the northwest portion of the City, including the subject site.

In LCPA #1-91, the Redevelopment Plan was amended to include 15 subdistricts. The part of Subdistrict 12 west of Pacific Street was placed in Subdistrict 15, with other beachfront areas east of The Strand to the north and south. The allowable height in Subdistrict 12 was increased to 140-feet if certain development design standards such as view corridor preservation, setbacks at the corners, and other measures are met. This amendment also removed the requirement that one-third of The South Strand area be reserved for visitor commercial uses. To offset this provision, minimum requirements for development of visitor commercial uses were imposed in the pier area subject to approval of a Master Plan for the nine-block area east of Pacific Street, between Civic Center Drive and Seagaze Drive.

The currently proposed changes to the D District Ordinance are as follows:

5. N2 iii A pedestrian promenade shall be required ~~adjacent to development~~ in place of the existing street pavement on Pacific Street in conjunction with any adjacent new development between Seagaze Drive and Civic Center Drive. The new promenade shall be a minimum of 50 feet wide and shall contain all the components and features included in the City's LCP Coastal Access Policy amendments 3 and 4 noted above.

The references to amendments 3 and 4 are the proposed changes to the land use plan that would allow conversion of The Strand, a segment of Pacific Street and a segment of Pierview Way to pedestrian promenades. The land use plan policies for the Pacific Street promenade allow for safety vehicle access and indicate the promenades will be enhanced with decorative sidewalk pavers, landscape features, sidewalk furniture and other amenities customarily found in public promenades. In addition, the policies indicate the principles and policies contained within the Downtown Oceanside Wayfinding Concept Study (September 2001) shall be followed and used to implement an enhanced pedestrian experience if the Pacific Street promenade is constructed as proposed.

B. FINDINGS FOR REJECTION

1. Purpose and Intent of the Ordinance.

The specific purpose of the "D" Downtown District is to promote the long-term viability and redevelopment of the downtown area. In addition, the ordinance seeks to maintain and promote an appropriate mix of uses while establishing necessary land use controls and development criteria. The "D" Downtown District establishes special land use subdistricts with individual objectives.

The proposed amendment to the ordinance provides that a minimum 50 feet wide pedestrian promenade shall be required on Pacific Street in conjunction with any adjacent new development in the project area and shall contain public access and visitor serving provisions identified in the City's Coastal Access Policy amendments.

2. Major Provisions of the Ordinance. The implementation plan amendment proposes to modify zoning regulations contained in the "D" Downtown District Ordinance to conform to the proposed land use plan changes that would allow closure of Pacific Street to vehicular traffic and its realignment as the "first coastal roadway" to inland of the proposed resort. The subject amendment also includes making the Pacific Street right-of-way, "pedestrian only" and references a plan (Way Finding Study) that recommends public access improvements with a pedestrian orientation to offset the loss of vehicular access in the project area. The plan addresses access opportunities and constraints in the project area including parking and circulation and recommends a parking management plan and shuttle system for peak season uses.

3. Adequacy of Ordinance to Implement the Certified LUP. The standard of review for LCP implementation submittals or amendments is their consistency with and

ability to carry out the provisions of the certified LUP. In the case of the subject LCP amendment, the City's "D" Downtown District Ordinance serves as the implementation program for the City's Redevelopment Area.

The proposed amendment would enable Pacific Street to be converted from vehicular access to pedestrian access. A minimum 50 feet wide public pedestrian promenade is proposed within the right of way of Pacific Street from Seagaze Drive north to Civic Center Drive. This amendment simply implements the LUP amendment which would authorize closure of Pacific Street. The amendment to the LUP was necessary because the current LUP provides that Pacific Street is open to cars. Because, as explained above, the Commission has denied certification to the LUP amendment, the proposed amendment to the Implementation Plan is inconsistent with the certified LUP. The Implementation Plan amendment must therefore be denied.

The LCP amendment, if resubmitted, should include a reassessment of the appropriate intensity of use and scale of development, the availability of secured, affordable public parking, the provision of lower cost visitor and recreational facilities, and the traffic and visual impacts associated with redevelopment in this prime visitor-serving location. More comprehensive policy revisions are required to address the impact of the street closures and assure consistency of future development with the public access and recreation policies of the Coastal Act.

PART V. CONSISTENCY WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

Section 21080.5 of the California Environmental Quality Act (CEQA) exempts local government from the requirement of preparing an environmental impact report (EIR) in connection with its local coastal program. Instead, the CEQA responsibilities are assigned to the Coastal Commission and the Commission's LCP review and approval program has been found by the Resources Agency to be functionally equivalent to the EIR process. Thus, under CEQA Section 21080.5, the Commission is relieved of the responsibility to prepare an EIR for each LCP. Nevertheless, the Commission is required in an LCP submittal or, as in this case, an LCP amendment submittal, to find that the LCP, or LCP, as amended, does conform with CEQA provisions.

As described above, the proposed amendment does have the potential to result in damage to scenic resources and public access and recreation in the form of individual and cumulative impacts. The proposed amendment was the subject of an Environmental Impact Report under CEQA. The EIR was subject to public review and hearing and was adopted. However, the Commission has found that the landform alteration and public access provisions of the proposed amendment cannot be found in conformance with Chapter 3 policies of the Coastal Act and that these elements of the proposed amendment will result in significant adverse impacts to the environment of the coastal zone. There are feasible alternatives or mitigation measures available which would substantially lessen any significant adverse impact which the amendment might have on the environment. Therefore, the Commission finds that the LCP amendment is not the least

environmentally-damaging feasible alternative and cannot be found consistent with the requirements of the Coastal Act to conform to CEQA.

The City's "D" Downtown District revisions, as submitted, raise the potential for significant adverse impacts to visitor-serving and public access opportunities in the coastal zone. As submitted, the ordinance could decrease opportunities to secure visitor-serving opportunities for such uses along the City's shoreline within the Redevelopment Area. Therefore, the Commission finds that the proposed changes, as modified, cannot be made and that significant, unmitigable environmental impacts within the meaning of CEQA will result from the approval of the proposed amendment.

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